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June 21, 2004

Bruce F. Duke
South Carolina Public Service Commission
P.O. Drawer 11649
Columbia, South Carolina 29211

Re: Farmers Telephone Cooperative, Inc.
Docket No. 2004-110-C

Dear Mr. Duke:

I am writing to state that the Consumer Advocate supports and joins the South Carolina Cable Television Association's (SCCTA) Response to Motion for Paper Hearing, which had been filed on June 10, 2004 by the Commission Staff. While at first blush the filing may seem to be a simple change of a depreciation rate that doesn't impact local rates, approval of the Company's request by the Commission would have wide reaching effects. In addition to those points set for in SCCTA's Response, the Company has informed us that approval of the request will allow it to withdraw an additional \$211,921 per year from the Federal Universal Service Fund. These funds could be used to cross-subsidize competitive services. Contrary to the Staff's Motion, this docket is, in fact, the best place to examine these issues. The consequences should be known before the Commission makes its decision, and Commissioners should be able to participate by asking questions of the parties' witnesses to assist them in making that decision. For these reasons, the Staff's Motion should be denied.

Sincerely,

Elliott F. Elam, Jr.
Acting Consumer Advocate

cc: parties of record